

SEN-ITT STAKES

BY ANTHONY MARRO

NEW YORK TIMES

DEC. 1978 N.Y. TIMES NEWS SERVICE

WASHINGTON - THE DEPARTMENT OF JUSTICE ON MONDAY FILED A CRIMINAL INFORMATION CHARGING TWO OFFICIALS OF THE INTERNATIONAL TELEPHONE AND TELEGRAPH CORP. WITH A TOTAL OF 12 FELONY OFFENSES; ALL OF THEM STEMMING FROM THEIR TESTIMONY TO A SENATE SUBCOMMITTEE ABOUT THE CORPORATION'S INVOLVEMENT IN THE 1970 PRESIDENTIAL ELECTION IN CHILE. THE CRIMINAL INFORMATIONS, WHICH WERE FILED IN UNITED STATES DISTRICT COURT HERE, ACCUSE EDWARD J. GERRITY JR., 54, OF LARCHMONT, N.Y.; AND ROBERT BERRELLEZ, 58, OF CHATSWORTH, CALIF., WITH PERJURY, OBSTRUCTION OF GOVERNMENTAL PROCEEDINGS AND MAKING FALSE STATEMENTS IN A GOVERNMENT MATTER.

AT THE SAME TIME, IN A PREPARED STATEMENT, THE DEPARTMENT INDICATED THAT IT DID NOT INTEND TO BRING CRIMINAL CHARGES AGAINST HAROLD S. GENEEN, THE ITT CHAIRMAN, WHO WAS ALSO BEING INVESTIGATED BECAUSE OF TESTIMONY HE GAVE AT THOSE SAME HEARINGS IN 1973.

THE CRIMINAL INFORMATION WAS FILED AT ABOUT 3 P.M. MONDAY, SHORTLY BEFORE THE FIVE-YEAR STATUTE OF LIMITATIONS ON THE CHARGES WAS SCHEDULED TO LAPSE.

IT WAS FILED IN THE SAME COURT WHERE, RICHARD HELMS, THE FORMER DIRECTOR OF CENTRAL INTELLIGENCE, WAS PERMITTED LAST OCTOBER TO PLEAD "NO CONTEST" TO A MISDEMEANOR CHARGE STEMMING FROM HIS TESTIMONY TO THE SAME SENATE SUBCOMMITTEE ON THE SAME ISSUE.

HELMS, WHO ARGUED THAT AS CIA DIRECTOR HE HAD SWORN AN OATH TO PROTECT INTELLIGENCE SECRETS, WAS FINED \$2,000, WHICH WAS PAID BY FORMER ASSOCIATES WHO TOOK UP A COLLECTION, AND WAS GIVEN A SUSPENDED TWO-YEAR PRISON SENTENCE.

GERRITY, A SENIOR VICE PRESIDENT OF ITT, FACES MAXIMUM PENALTIES OF 30 YEARS IN PRISON AND \$23,000 IN FINES. BERRELLEZ, ITT'S SOUTHWEST REGIONAL MANAGER FOR PUBLIC RELATIONS AND CIVIL AFFAIRS, FACES MAXIMUM PENALTIES OF 30 YEARS IN PRISON AND \$31,000 IN FINES.

ALTHOUGH HELMS AND THE TWO ITT OFFICIALS WERE CHARGED WITH HAVING MISLED THE SENATE FOREIGN RELATIONS COMMITTEE'S SUBCOMMITTEE ON MULTINATIONAL CORPORATIONS ON THE NATURE OF ITT AND CIA ATTEMPTS TO INFLUENCE THE 1970 CHILEAN ELECTION, A JUSTICE DEPARTMENT OFFICIAL SAID MONDAY THAT THE TWO CASES WERE QUITE DIFFERENT.

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DURING AN INFORMAL QUESTION-AND-ANSWER SESSION WITH REPORTERS AFTER THE CRIMINAL INFORMATION WAS FILED, BENJAMIN E. CIVILETTI, THE ACTING DEPUTY ATTORNEY GENERAL, SAID THAT THE CASE AGAINST HELMS AND THE CASE AGAINST THE ITT OFFICIALS INVOLVED "ENTIRELY DIFFERENT FACTS, DIFFERENT CIRCUMSTANCES, AND DIFFERENT PERSONS."

ALTHOUGH HE WOULD NOT ELABORATE ON THE DIFFERENCES, CIVILETTI ALLOWED THAT ONE WAS THAT HELMS'S OATH, OR AT LEAST "HIS INTERPRETATION OF HIS OATH," PUT HIM IN A DIFFERENT SITUATION THAN DERRITY AND BERRELEZ, WHO HE SAID WERE "PRIVATE INDIVIDUALS (WITH A) PRIVATE ORGANIZATION."

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WASHINGTON: ORGANIZATION.

AT ONE POINT DURING THE QUESTIONING BY REPORTERS, CIVILETTI BRISTLED SLIGHTLY AT A SUGGESTION THAT THE JUSTICE DEPARTMENT HAD FOCUSED ON "LOW-RANKING PEOPLE," RATHER THAN SENIOR EXECUTIVES, SUCH AS GENEEN.

"THE LAW DOESN'T DEPEND ON WHETHER SOMEONE IS SENIOR OR JUNIOR," HE SAID. "IT DEPENDS ON THE FACTS."

LATER, THE SENATE SUBCOMMITTEE STAFF MEMBER WHO HAD HANDLED MUCH OF THE QUESTIONING OF THE ITT OFFICIALS SAID HE WAS "VERY DISTURBED THAT THE DEPARTMENTS DID NOT PROBE FURTHER MR. GENEEN'S STATEMENTS."

JACK BLUM, WHO SINCE HAS LEFT THE SENATE STAFF AND NOW IS IN PRIVATE PRACTICE, SAID THAT HE BELIEVED GENEEN "MIGHT BE ELIGIBLE FOR ONE OF THE GREAT FICTION PRIZES, SOMETHING AKIN TO THE NATIONAL BOOK AWARDS."

AT THE TIME OF THE HEARINGS IN MARCH AND APRIL 1973, THE SUBCOMMITTEE, WHICH WAS HEADED BY SEN. FRANK CHURCH, D-IDAHO, WAS INVESTIGATING ITT AND CIA INVOLVEMENT IN THE 1970 ELECTIONS IN CHILE.

A SUBSEQUENT INVESTIGATION IN 1975 BY THE SENATE INTELLIGENCE COMMITTEE, ALSO HEADED BY CHURCH, SUGGESTED THAT BOTH ORGANIZATIONS WERE OPPOSED TO THE ELECTION OF THE LATE SALVADOR ALLENDE GOSSENS, A MARXIST WHO OFFICIALS FEARED MIGHT EXPROPRIATE SOME OF THE CORPORATION'S PROPERTIES IN THAT COUNTRY.

THE SENATE INVESTIGATION ALSO SHOWED THAT THE CIA HAD FUNNELED MORE THAN \$8 MILLION TO OPPONENTS OF ALLENDE, WHO DIED DURING A COUP D'ETAT IN SEPTEMBER 1973, AND THAT ITT AND THE CIA HAD COOPERATED TO SOME EXTENT IN DEVELOPING THEIR CAMPAIGNS AGAINST HIM.

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AT THE TIME OF THE INITIAL HEARING, HOWEVER, THERE WAS CONSIDERABLE TESTIMONY TO THE CONTRARY BY ITT AND CIA OFFICIALS. HELMS, FOR EXAMPLE, SAID THAT HIS AGENCY HAD NOT FUNNELED ANY MONEY TO OPPONENTS OF ALLENDE. ITT OFFICIALS TESTIFIED THAT THE CIA HAD REJECTED THEIR OFFERS OF HELP, AND THAT THE ONLY MONEY SPENT DURING THIS PERIOD WAS TO PROMOTE AGRICULTURE AND HOUSING - NOT TO BLOCK ALLENDE.

NEITHER GERRITY NOR BERRELLEZ, NOR THEIR ATTORNEYS, COULD BE REACHED FOR COMMENT MONDAY. A SPOKESMAN FOR ITT, HOWEVER, ISSUED A PREPARED STATEMENT SAYING THAT THE CORPORATION WAS "FULLY CONFIDENT THEY WILL BE FOUND INNOCENT."

THE COMPANY SPOKESMAN SID THAT ITT "CONTINUES TO HAVE CONFIDENCE IN (THEIR) INTEGRITY," AND SAID, "THEY BOTH CONTINUE TO SERVE AS VALUED EXECUTIVES OF ITT. . ."

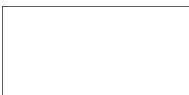
THERE WAS SOME CONFUSION ABOUT WHEN THE STATUTE OF LIMITATIONS WAS DUE TO EXPIRE IN THE MATTER, BUT A JUSTICE DEPARTMENT SPOKESMAN, ROBERT STEVENSON, SAID THAT IT WAS EITHER AT MIDNIGHT MONDAY NIGHT OR MIDNIGHT TUESDAY.

THE GRAND JURY THAT HAD BEEN HEARING EVIDENCE IN THE CASE FOR TWO YEARS EXPIRED LAST MONTH, AND THE JUSTICE DEPARTMENT WOULD HAVE HAD TO EMPANEL ANOTHER ONE TO SEEK AN INDICTMENT. BOTH ITT OFFICIALS, HOWEVER, HAD WAIVED THEIR RIGHTS TO GRAND JURY CONSIDERATION OF AN INDICTMENT, SO THE JUSTICE DEPARTMENT WAS ABLE TO FILE A CRIMINAL INFORMATION, A STATEMENT OF CHARGES USUALLY RECEIVED FOR MISDEMEANOR CASES.

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NEW YORK TIMES

ARM-ITT INSERT A097-A098*

WASHINGTON: AM-ITT A097-A098 INSERT AFTER 30GRAF FROM END: ITT. . .

AT THE TIME IT WAS DECIDED TO ALLOW HELMS TO PLEAD TO A MISDEMEANOR CHARGE, JUSTICE DEPARTMENT OFFICIALS SAID THERE HAD BEEN SOME CONCERN THAT A TRIAL OF HELMS WOULD RAISE SERIOUS 'NATIONAL SECURITY' PROBLEMS. MORE SPECIFICALLY, THEY SAID THAT IN ORDER TO PROSECUTE THE CASE, INFORMATION MIGHT HAVE TO BE MADE PUBLIC IN COURT DETAILING CIA COVERT OPERATIONS.

STANSFIELD TURNER, THE CURRENT CIA DIRECTOR, MET WITH ATTORNEY GENERAL GRIFFIN B. BELL LAST WEEK TO EXPRESS SIMILAR CONCERNS IN THIS CASE. JUSTICE DEPARTMENT AND CIA OFFICIALS, HOWEVER, REFUSED MONDAY TO SPECIFY WHAT TURNER SAID, OR HOW STRONGLY HE VOICED HIS CONCERNS. STRONGLY HE VOICED HIS CONCERNS.

PICKUP NEXT, PENULTIMATE, GRAF: THERE WAS SOME CONFUSION ETC.

THE N.Y. TIMES NEWS SERVICE

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ARM-ITT ADDATEND A097-A098*

WEDS: THE FOLLOWING ADDATEND IS FOR NEWSPAPERS DESIRING A LONGER STORY:*

WASHINGTON: MISDEMEANOR CASES.*

THE INFORMATION CHARGES BOTH MEN WITH PERJURY, OBSTRUCTING GOVERNMENTAL PROCEEDINGS AND MAKING A FALSE STATEMENT. IN ADDITION, GERRITY WAS CHARGED ON ONE COUNT OF SUBORNATION OF PERJURY - THAT IS, PERSUADING ANOTHER PERSON TO PERJURE HIMSELF - AND BERRELLEZ WAS CHARGED WITH CONSPIRACY.

THE INFORMATION CHARGES THAT BERRELLEZ CONSPIRED WITH HAROLD V. HENDRIX, A FORMER ITT OFFICIAL, TO USE 'DECEIT, CRAFT, TRICKERY, AND DISHONEST MEANS' TO DEFRAUD THE GOVERNMENT BY CONSPIRING IN THE SENATE INVESTIGATION.

HENDRIX, THE FORMER ITT PUBLIC RELATIONS DIRECTOR IN LATIN AMERICA, PLEADED GUILTY IN NOVEMBER 1976 TO A MISDEMEANOR CHARGE OF WITHHOLDING INFORMATION FROM THE SUBCOMMITTEE.

THE JUSTICE DEPARTMENT HAS NEVER ACKNOWLEDGED OFFICIALLY THAT GENEEN, THE ITT CHAIRMAN, WAS A SUBJECT OF THE SAME INVESTIGATION. DEPARTMENT OFFICIALS SAID PRIVATELY, HOWEVER, THAT IT WAS GENEEN THE DEPARTMENT WAS REFERRING TO IN A STATEMENT IN A PRESS RELEASE ISSUED

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MONDAY THAT SAID: "NO OTHER ACTIONS ARISING FROM THIS INVESTIGATION ARE CONTEMPLATED BY THE DEPARTMENT OF JUSTICE."

ONE PERSON WHO TESTIFIED IN THE CASE, AFTER HIS OWN CONVICTION ON A MISDEMEANOR CHARGE, WAS HELMS, WHO NOW IS ACTIVE IN AN INTERNATIONAL CONSULTING FIRM. THE TERMS OF HELMS'S PLEA BARGAINING ARRANGEMENT CALLED FOR HIM TO TESTIFY "TRUTHFULLY" IF CALLED BEFORE THE GRAND JURY IN THIS MATTER.

HELMS DID APPEAR BEFORE THE GRAND JURY, BUT JUSTICE DEPARTMENT OFFICIALS REFUSED TO SAY WHETHER HE PROVIDED INFORMATION USED IN THE CRIMINAL INFORMATION AGAINST THE TWO MEN.

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